

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

<p>SECURITIES AND EXCHANGE COMMISSION,</p> <p>Plaintiff,</p> <p>vs.</p> <p>PINNACLE DEVELOPMENT PARTNERS, LLC, and GENE A. O'NEAL</p> <p>Defendants.</p>	<p>CIVIL ACTION NO. 06 CV 2431</p>
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**RECEIVER'S UNOPPOSED MOTION FOR
STATUS CONFERENCE**

COMES NOW S. Gregory Hays, Receiver, and files his Unopposed Motion for Status Conference, and shows the Court as follows:

1. In its Order Granting Preliminary Injunction, Freezing Assets, Appointing a Receiver and Ordering Other Ancillary Relief, entered on October 11, 2006 (the "Receivership Order"), this Court appointed S. Gregory Hays as Receiver for "Defendant Pinnacle and its assets, including all assets of partnerships or other entities controlled by Pinnacle" (the "Receiver Estate").
2. In the Receivership Order, the Court directed the Receiver to take custody and control of assets of the Receiver Estate and authorized the Receiver to,

among other things, sell assets of the Receiver Estate and make necessary and appropriate disbursements from the Receiver Estate. (Receivership Order at §§ VII and IX.)

3. In furtherance of the Court's directives, the Receiver has neared completion of the administration of the Receiver Estate. For example, the Receiver has analyzed all investor and creditor claims filed against the Receiver Estate and made an initial distribution of 30% of Approved Claims and a second distribution of 5% of Approved Claims. The only claims issues outstanding are the resolution by the Court of Disputed Claims. On April 29, 2008, the Receiver filed his Motion for Resolution of Disputed Claims. No opposition was filed to the Disputed Claims Motion and it is ripe for the Court's decision.

4. The Receiver also has resolved all but one claim against third parties. Two of the Receiver Estate's claims – one against Pinnacle's former attorney and the other against Pinnacle's former real estate agent – resulted in significant recoveries for the Receiver Estate. The only outstanding third party claim is the Receiver's Motion to Direct the Return of Funds to the Receiver Estate, filed by the Receiver on September 16, 2008. In sum, the Receiver is seeking an Order and Judgment requiring Rodney Hatfield and affiliated entities to return to the Receiver Estate \$91,544.53 that was distributed to them by the Receiver in reliance on false

Claim Forms. Again, no opposition has been filed to this motion and it is ripe for the Court's consideration.

5. As set forth by the Receiver during the Court's May 14, 2008 status conference, the only significant remaining work in this receivership relates to the sale of 14 remaining properties of the 21 that were originally part of the Receiver Estate.¹ Though the Receiver has continued to market these properties, the real estate market and the economy in general have continued to deteriorate over the past several months. Therefore, the Receiver is again considering various alternatives for the disposal of the remaining properties, including holding a public sale for some or all of the properties. As contemplated by the Court during the May 14, 2008, the Receiver requests a status conference with the Court to address issues related to the sale of the remaining properties. The Receiver would like to present the Court with information regarding each of the remaining properties and seeks the Court's guidance in arriving at the best solution for the Receiver Estate.

6. Based on the Court's indication during the May 14, 2008 status conference that the Court would welcome an additional status conference to address real property issues, and in light of the continued difficulties faced by the

¹ On August 29, 2008, the Receiver Estate acquired an additional piece of real property as a result of the settlement entered into with Pinnacle's former real estate agent.

Receiver with respect to the sale of the properties, the Receiver believe that a status conference would be beneficial.

WHEREFORE, and for the reasons set forth herein, the Receiver respectfully requests that this Court issue an Order setting a Status Conference to address the remaining real property in the Receiver Estate. A proposed order is attached hereto.

Respectfully submitted, this 10th day of October, 2008.

TROUTMAN SANDERS LLP

/s/ Thomas B. Bosch
J David Dantzler, Jr.
Ga. State Bar No. 205125
Thomas B. Bosch
Ga. State Bar No. 068740

Attorneys for S. Gregory Hays, Receiver

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Local Rule 7.1D Certificate of Compliance

The undersigned certifies that this Motion has been prepared with on of the font and point selections approved by the Court in Local Rule 5.1B.

/s/ Thomas B. Bosch
Thomas B. Bosch
Georgia Bar No. 068740

CERTIFICATE OF CONFERENCE AND NO OPPOSITION

Prior to filing this Motion, counsel for the Receiver conferred with counsel for the Securities and Exchange Commission, who does not oppose the Motion.

/s/ Thomas B. Bosch
Thomas B. Bosch
Georgia Bar No. 068740

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CERTIFICATE OF SERVICE

This is to certify that on October 10, 2008, I electronically filed this RECEIVER'S UNOPPOSED MOTION FOR STATUS CONFERENCE with the Clerk of Court using the CM/ECF system which will automatically send email notification of such filing to the following attorneys of record:

James Alexander Rue

William P. Hicks

Michael D. Watson

John Gerald Westrick

This 10th day of October, 2008.

By: /s/ Thomas B. Bosch

Thomas B. Bosch

Georgia Bar No. 068740

Attorney for S. Gregory Hays,

Receiver for Defendant Pinnacle

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ORDER

This matter having come before the Court on S. Gregory Hays' Unopposed Motion for Status Conference, and the Court having considered the Receiver's motion, the Court GRANTS the Receiver's motion and it is hereby

ORDERED that a status conference will be held at _____ on _____, 2008, to address remaining real property in the Receiver Estate.

IT IS SO ORDERED, this ___ day of _____, 2008

Jack T. Camp, Judge
United States District Court
Northern District of Georgia